



Lt. Governor Sheila Y. Oliver
Chairman

Charles A. Richman
Executive Director

4/5/18

Mr. Hubert Graham
State Realty Agency
1290 Springfield Ave
Irvington, NJ 07111

Re: HMFA#00615, Pilgrim Baptist I
For Year Ending: 12/31/2018
Annual Operating Budget

Dear Mr. Graham

This is to inform you that the Annual Operating Budget for the referenced development has been approved by the New Jersey Housing and Mortgage Finance Agency as adjusted. A copy of the budget, Repair & Replacement funding schedule, escrow change memorandum and explanations for the adjustments are enclosed for your information.

Based on our review, a rental increase will be necessary to fund operations for this year. A complete rent increase request should be made in writing no less than sixty (60) days prior to the next HAP anniversary date and the rents may be adjusted in accordance with the HUD Notice H95-12 of March 7, 1995.

Please be reminded that you are still required to comply with the regulations on Utility Allowance Adjustments under Title 24, Code of Federal Regulations, Section 883-711.

If you have any questions regarding our adjustments, please contact Andrew Phillips, Housing Management Officer.

Very truly yours,

Debbie Keramas
Asset Manager

B-21B
Enclosure

c: Mr. Michael Floyd, Pres.
Andrew Phillips

NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

637 South Clinton Avenue ^ P.O. Box 18550 ^ Trenton, NJ 08650-2085

TELEPHONE: (609) 278-7400 ^ WEB: www.njhousing.gov

HMFA #615 DEVELOPMENT: Pilgrim Baptist I

BUDGET FOR YEAR ENDING: 12/31/18

Apartment Rents – Adjusted to current level. A 2.5% vacancy has been assumed.

Gross Apt. Rents		\$2,472,800
Excluding Super's Apt.		
Less: Vacancy	(2.5%)	(61,800)
Net Apt. Rent		\$2,411,000

Management Fees – based on \$66.69 per unit per month (rounded). (\$121,600/year rounded.)

Administrative - Auditing expense adjusted based on the audit engagement agreement on file.
Bookkeeping fee adjusted to reflect Agency maximum fee.

Salaries and related charges – it is the development owner's responsibility to comply with DCA or any other local ordinance regarding live-in staff requirements.

Maintenance Contracts – Monitoring & Protection – it is the owner's responsibility to comply with any applicable local security ordinances.

Utilities – Utilities adjusted to reflect 5% increase.

Real Estate Taxes – Based on adjusted rents as explained above.

Net Apt. Rent	\$2,411,000		
Gross Shelter Rents	\$2,411,000	@ 7.40% =	\$178,400.
Laundry income	\$2,400		
Late Charges & Other	<u>\$8,300</u>		
Other Income	\$10,700	@ 20% =	<u>\$2,100</u>
			\$180,500

Insurance – All insurance requirements need to be submitted to the Agency's Insurance Division in a timely manner.

R & R – Adjusted per the updated R & R funding schedule.

Reserve Refunds – Subject to Agency review and approval .

Capital Additions – Subject to Agency review and approval.

Return on Equity – Any distribution is subject to Agency approval.

Financials

Housing Management Officer: Andrew Phillips

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Property/Project: 00615
 Pilgrim Baptist I
 Peter Mason
 446 Bergen St
 Newark, NJ 07108-2009

MANAGING AGENT

State Realty Agency
 Mr. Hubert Graham
 1290 Springfield Ave
 Irvington, NJ 07111-1927

No Units: 152

Report No: 1

Year: 2018

Year-to-Date 12

FYE: 12/31

Description	Budget
1000 4110 Gross Apt. Rents	2,472,800.04
1050 4210 Vacancy Loss	-61,800.00
1055 4211 Collection Losses	0.00
1056 4240 Rent Concessions	0.00
1060 4120 Vacancy Subsidy (Sec 8)	0.00
1099 MOR Net Apartment Rents	0.00
1100 Net Apartment Rents	2,411,000.04
1200 4130 Commercial Rent	0.00
1250 4150 Garage & Parking	0.00
1260 4220 Garage&Park Coll. Losses	0.00
1300 4230 Commercial Vacancy	0.00
1349 MOR Net Other Rents	0.00
1350 Net Other Rents	0.00
1400 Total Rental Income	2,411,000.04
1500 4310 Laundry Income	2,400.00
1550 4320 Air Cond. Surcharge	0.00
1600 4340 Vending Income	0.00
1625 4350 Misc. Service Income	0.00
1650 4410 Investment Income	0.00
1700 4430 Late Charges & Other	8,300.04
1750 4450 Interest-Security Deposi	0.00
1800 4460 Other	999.96
1801 4510 Recreation Facilities	0.00
1802 4520 Gain/Loss Insurance Clai	0.00
1803 4530 Gain/Loss Tenant Stores	0.00
1804 4560 Gain/Loss Sale Investmen	0.00
1805 4565 Gain/Loss Property Equip	0.00
1806 4570 Bond Assistance Revenue	0.00
1807 4590 Other Income	0.00
1849 MOR Total Other Income	0.00
1850 Total Other Income	11,700.00
1900 Total Income	2,422,700.04
2000 5121 Stationery Supplies	6,699.96
2010 5122 Telephone	19,500.00
2020 5123 Dues & Subscriptions	7,299.96
2030 5124 Postage	2,199.96
2031 5125 Other Office Expenses	6,500.04
2032 5126 Other Insurance	12,600.00
2040 5127 Inspection Fee	0.00
2041 5128 Other Taxes	0.00
2050 5151 Advertising	0.00
2051 5152 Other Professional Fees	9,800.04
2060 5153 Legal Services	8,000.04
2061 5154 Credit Check Fees	0.00
2065 5155 Auditing (Year End)	14,499.96
2070 5156 Social Services	0.00
2071 5157 Net Congregate Expenses	0.00
2072 5158 Uniform Expenses	0.00
2075 5159 Bookkeeping & Acctg.	12,399.96
2080 5160 Computer Charges	399.96
2081 5161 Electronic Services	1,500.00

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FYE: 12/31

Description	Budget
2085 5195 Misc. Administrative	7,500.00
2090 5196 Other	4,500.00
2091 Cable TV	0.00
2094 MOR Total Administrative	0.00
2095 Total Administrative	113,400.00
2100 5210 Super's Salary	41,400.00
2110 5211 Janitorial Salaries	0.00
2120 5212 Landscaping Salaries	0.00
2130 5213 Security Salaries	0.00
2135 Dietary Salaries	0.00
2136 Nursing Salaries	0.00
2140 5214 Social Service Salaries	0.00
2150 5215 Office Salary	111,200.04
2155 Environmental Salaries	0.00
2160 5216 Maintenance Salaries	42,500.04
2170 5217 Other Salaries	45,699.96
2171 5218 Bus/Van Driver Salaries	0.00
2175 5261 Employee Benefits	38,600.04
2180 5262 Employer Payroll Taxes	29,199.96
2185 5263 Workmen's Comp.	12,699.96
2190 5264 Fidelity Bonds	0.00
2194 MOR Total Salaries	0.00
2195 Total Salaries	321,300.00
2200 5321 Masonry	3,000.00
2210 5322 Carpentry	15,500.04
2220 5323 Plumbing	75,000.00
2225 5324 Electrical	20,400.00
2230 5325 Kitchen Equipment	0.00
2240 5327 Elevator Parts	0.00
2245 5328 Windows & Glass	7,500.00
2250 5329 Vehicles & Equipment	3,399.96
2255 5330 Snow Removal	12,500.04
2260 5331 Grounds & Landscaping	19,500.00
2265 5340 Painting & Decorating	50,000.04
2270 5341 Small Equipment	4,500.00
2275 5342 Janitorial Supplies	600.00
2280 5344 HVAC Supplies	4,500.00
2281 5345 Hardware Supplies	12,000.00
2285 5350 Misc. Supplies	8,900.04
2290 5390 Other	7,599.96
2294 MOR Total Maint. & Repairs	0.00
2295 Total Maint & Repairs	244,899.96
2300 5413 Monitoring & Protection	127,700.04
2301 5414 Fire System Monitoring	0.00
2302 5415 Cleaning	33,000.00
2310 5425 Elevator Contract	0.00
2320 5426 Rubbish Rem. Contract	35,199.96
2330 5430 HVAC Maintenance	0.00
2340 5432 Grounds Parking Landscap	0.00
2350 5460 Exterminating Contract	11,100.00
2360 5440 Painting & Decorating	0.00

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FYE: 12/31

Description	Budget
2370 5490 Other Contacts	0.00
2371 Raw Food Contact	0.00
2372 Kitchen Supplies Contract	0.00
2373 Other Dietary Contract	0.00
2374 Laundry-Housekeeping	0.00
2375 Other-Housekeeping	0.00
2376 Van/Bus Contract	0.00
2377 Transportation Fuel	0.00
2378 Other Transportation	0.00
2380 Assisted Living Expenses	0.00
2394 MOR Total Maint. Contracts	0.00
2395 Total Maint. Contracts	207,000.00
2400 5521 Water	91,500.00
2410 5522 Sewer Charges	60,000.00
2420 5523 Electricity	54,200.04
2430 5524 Gas	5,400.00
2440 5525 Fuel Oil	0.00
2494 MOR Total Utilities	0.00
2495 Total Utilities	211,100.04
2500 5600 Managing Agent's Fee	121,599.96
2501 Total Managing Agent Fees	121,599.96
2600 5710 Real Estate Taxes	180,500.04
2601 Total Real Estate Taxes	180,500.04
2700 5712 Insurance	198,000.00
2701 Total Insurance	198,000.00
2750 Capital Leases	0.00
2800 Total Other Operational Exp	500,100.00
2900 Total Expenses	1,597,800.00
2950 Net From Operating	824,900.04
3000 Debt Service	634,700.04
3001 Total Debt Services	634,700.04
3100 5813 Hsg. Finance Fund	0.00
3102 Total Hsg Finance Fund	0.00
3200 5850 Provision for R&R	268,299.96
3202 Total Provision for R&R	268,299.96
3900 Total D/S + R&R	903,000.00
3950 9998 Net Income (Loss)	-78,099.96
4000 1997 Other Sources of Funds	0.00
4001 Total Other Sources of Funds	0.00
4100 1998 R&R Refunds	88,700.04
4101 Total R&R Refunds	88,700.04
4200 1410 Real Estate Escrow	0.00
4300 1411 Insurance Escrow	0.00
4400 1999 Capital Additions	88,700.04
4401 Total Capital Additions	-88,700.04
4500 2160 Return on Equity	0.00
4501 Total Return on Equity	0.00
4900 9999 Cash Flow	-78,099.96
9000 Water, Gallons	0.00
9100 Electricity, KWH	0.00
9200 Gas, Therms	0.00

Loan Number: 00615 Pilgrim Bap. I 1ST As of: 03/27/2018

Description	Replace Cost	Units on Hand	Total Cost	Estimated Life	Annual Required	Age To-Date	Required To-Date	Balance On-Hand	Over (Short)	Remain. Life	Annual Adjust	New Ann. Required	New Monthly Payment
0 *		0	.00	0	.00	0	.00	.00	.00	0	.00	.00	.00
1 Refrigerators	.00	0	.00	0	.00	0	.00	.00	.00	0	.00	.00	.00
0 REFRIGERATORS		0								6	1,963.20	6,776.53	564.71
2 Ranges	475.00	152	72,200.00	15	4,813.33	9	43,319.97	-11,779.17					
0 RANGES		0								6	1,239.91	4,279.91	356.66
3 Apartment Fixtures	300.00	152	45,600.00	15	3,040.00	9	27,360.00	-7,439.48					
0 APT FIXTURES		0								8	7,749.46	26,749.46	2,229.12
7 Boiler/Heating System	2,500.00	152	380,000.00	20	19,000.00	12	228,000.00	-61,995.69					
0 HEATING SYSTEM		0								13	5,118.62	40,078.62	3,339.89
4,600.00		152	699,200.00	20	34,960.00	7	244,720.00	-66,542.04					
9 O/S Paint/Caulk/Brickwork	70,000.00	1	70,000.00	20	3,500.00	5	17,500.00	-4,758.44					
0 EXTERIOR WORK		0								15	317.23	3,817.23	318.10
10 Carpet/Decorating Common Areas	70,000.00	1	70,000.00	20	3,500.00	18	63,000.00	-17,130.39					
0 COMMON AREA & PAINTING DECOR		0								2	8,565.20	12,065.20	1,005.43
11 Site Improvements	75,000.00	1	75,000.00	20	3,750.00	5	18,750.00	-5,098.33					
0 LANDSCAPE, RETAINING WALLS		0								15	339.89	4,089.89	340.82
11 Site Improvements	105,000.00	1	105,000.00	25	4,200.00	10	42,000.00	-11,420.26					
0 PAVING		0								15	761.35	4,961.35	413.45
11 Site Improvements	180,000.00	1	180,000.00	25	7,200.00	17	122,400.00	-33,281.90					
0 SIDEWALKS		0								8	4,160.24	11,360.24	946.69
11 Site Improvements	200,000.00	1	200,000.00	33	6,060.61	33	200,000.13	-54,382.22					
0 CONCRETE STEPS		0								0	54,382.22	60,442.83	5,036.90
11 Site Improvements	40,000.00	1	40,000.00	20	2,000.00	15	30,000.00	-8,157.33					
0 EMERGENCY LIGHTING		0								5	1,631.47	3,631.47	302.62
12 Roofing	16,150.00	13	209,950.00	20	10,497.50	15	157,462.50	-42,815.77					
0 ROOFING		0								5	8,563.15	19,060.65	1,588.39
13 Windows, Storms, Screens	350.00	982	343,700.00	27	12,729.63	6	76,377.78	-20,767.95					
0 STORM WINDOWS		0								21	988.95	13,718.58	1,143.22
14 Vehicles Heavy Equipment	30,000.00	1	30,000.00	22	1,363.64	22	30,000.08	-8,157.35					
0 BUS/REPAIRS		0								0	8,157.35	9,520.99	793.42
36 Garage	300.00	1	45,300.00	20	2,265.00	19	43,035.00	-11,701.69					
0 Garage Doors		0								1	11,701.69	13,966.69	1,163.89
37 Smoke Detectors	75,000.00	1	75,000.00	20	3,750.00	20	75,000.00	-20,393.32					
0 SMOKE/HEAT DETECTORS		0								0	20,393.32	24,143.32	2,011.94
41 Office Renovations	30,000.00	1	30,000.00	20	1,500.00	20	30,000.00	-8,157.33					
0 OFFICE RENOVATIONS		0								0	8,157.33	9,657.33	804.78
9999	.00	9999	.00	0	.00	0	.00	.00					
0		0	.00	0	.00	0	.00	.00					.00
			2,670,950.00		124,129.71		1,448,925.46	-393,978.66		144,190.58	266,320.29	22,360.03	

MEMORANDUM.....New Jersey Housing and Mortgage Finance Agency

To: Hubert Graham
From: A. Phillips

Date: March 27, 2018

Subject: Change in Monthly Escrow

HMFA# 615

Development: Pilgrim Baptist I

A review of your escrow account balance(s) indicates that a change in funding of the monthly deposits is needed in order to meet your development's annual financial obligations. The following adjusted monthly escrow amount(s) should be funded effective May 1, 2017.

Reserve for Replacement	<u>\$ 16,000</u>
R & R Loan Repayment (if applicable)	<u>- n/a</u>
Real Estate Tax	<u>\$ 14,700</u>
Insurance	<u>\$ 13,000</u>

If your development is currently receiving housing assistance payments under the Section 8 program, the Agency will automatically withhold the adjusted amount from your Section 8 funds. All other developments should begin to fund the revised amount as the effective date.

If you have any questions regarding these adjustments, please contact your Housing Management Office.

c Subsidy & Escrow Section
Carmen Martinez